17 June 1958

MEMORANDIM FOR: Admiral W. S. DeLamy

Chairman, Sconomic Defense Advisory Committee

BURJECT:

Proposed Merger of the Economic Defense Intelligence Committee as a Subcommittee of the Economic

Intelligence Committee

1. I understand Russell Hale has advised you that we are presently considering the desirability of merging the Economic Defense Intelligence Committee (EDC) into the Economic Intelligence Committee (EDC) structure. Before we take any definitive action, however, we want to advise you of the background on this matter and to solicit your views.

- 2. Since 1952, the Intelligence Advisory Committee (IAC) has had two standing subcommittees concerned with economic intelligence-- the EDIC and the EIC. In the period 1951 to 1955, EDIC was a very active forum for servicing the requirements of the economic defense community. A review of the activities of EDIC during the recent past reflects a reduction in the activity of this group and leads us to believe that the responsibilities of this eccenttee could be carried out more efficiently within the structure of the EIC without impairing its ability to meet the requirements of the ETAC community. As you know, despite the reduction in EDIC activities, the economic intelligence community has provided increasing support in the field of economic defense over the past few years. However, for reasons of operational urgency and in secordance with allocations of production responsibility for various fields of economic intelligence, the responsible individual intelligence agencies have made their respective contributions directly to the SDAC group concerned.
- 3. It seems clear that this system of direct agency support will prevail in the foreseeable future, and that while EDIC will continue to perform a useful coordinating role, it will not reach the level of activity of its early years. It is my belief that EDIC, reconstituted as a subcommittee of the EDC, could fully satisfy the requirements which might be placed upon it by the economic defense agencies. An appropriate official of the CIA/OFG component most concerned with the subject of economic defense would be appointed as Executive Secretary of EDIC if this change were to take place, and the Chairman, appointed by the EIC.

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would be chosen from participating members whose agencies are most active in this field. Representation on the MIC encompasses all those departments and agencies presently represented within MMC.

4. If this proposal has your approval, we will ask for its consideration by both EDIC and the EIC at an early date. If you have any questions, I will be happy to discuss them with you at your convenience. I would very much appreciate your views within the next week or ten days as we hope to present this matter to EDIC and the EIC around the end of this fiscal year.

